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## BIWEEKLY REPORT

# SINO-SOVIET BLOC ECONOMIC ACTIVITIES IN UNDERDEVELOPED AREAS

EIC-WGR-1/20

12 November 1956

PREPARED BY THE WORKING GROUP  
ON SINO-SOVIET BLOC ECONOMIC ACTIVITIES  
IN UNDERDEVELOPED AREAS

ECONOMIC INTELLIGENCE COMMITTEE

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SINO-SOVIET BLOC ECONOMIC ACTIVITIES  
IN UNDERDEVELOPED AREAS

Summary of Events, 23 October-5 November 1956.

The most significant features of the Sino-Soviet Bloc effort to expand economic relations with the Free World during the period 23 October-5 November 1956 were the arrival of 17 MIG aircraft at airfields in Afghanistan and the signing of contracts valued at US \$35 million between Afghanistan and the USSR for the construction of improved highway and river port connections between the two countries.

Other significant features of the Sino-Soviet Bloc economic drive include the following:

1. India has ordered 650 broad-gauge railroad car undercarriages valued at over \$4 million from Poland but has canceled an order for IL-14 transport aircraft from the USSR.
2. Cambodia authorized a total of \$8.6 million in trade with Communist China during the period 16 June - 16 September 1956.
3. Sino-Soviet Bloc trade (excluding arms) with Egypt during the first 7 months of 1956 increased significantly over 1955 trade levels, whereas Bloc trade with Turkey declined. Turkey has a large trade surplus with the Bloc, however, and is expected to increase trade with the Bloc during the remainder of 1956.
4. Sino-Soviet Bloc trade with Mexico, the Dominican Republic, and Cuba is increasing during 1956, but a UN official indicates that Latin America, in general, is reluctant to accept Bloc technical assistance even through the UN.
5. Yugoslavia signed a trade and payments agreement with Rumania and announced that negotiations for the purchase of \$5 million of agricultural machinery from the USSR during 1957 will begin soon.

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